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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
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| 09/887,621 | 06/22/2001 | Cary Lee Bates | ROC920010071US1 | 7429 |

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IBM CORPORATION, INTELLECTUAL PROPERTY LAW
DEPT 917, BLDG. 006-1
3605 HIGHWAY 52 NORTH
ROCHESTER, MN 55901-7829

| EXAMINER | |
|---|---|
| BEKERMAN, MICHAEL | |

| ART UNIT | PAPER NUMBER |
|---|---|
| 3622 | |

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

| Office Action Summary | Application No. | Applicant(s) | |
|---|---|---|---|
| | 09/887,621 | BATES ET AL. | |
| | Examiner | Art Unit | |
| | MICHAEL BEKERMAN | 3622 | |

*-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --*

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1)☒ Responsive to communication(s) filed on *09 February 2010*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

4)☒ Claim(s) *1-18,20-22 and 24-30* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-18,20-22 and 24-30* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

**Application Papers**

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

## DETAILED ACTION

This action is responsive to papers filed on 2/9/2009.

### *Claim Objections*

1. The amendment filed 8/3/2006 is objected to under 35 U.S.C. 132(a) because it introduces new matter into the disclosure. 35 U.S.C. 132(a) states that no amendment shall introduce new matter into the disclosure of the invention. The added material which is not supported by the original disclosure is as follows: In claim 7, a limitation is added that an explanation for crediting is provided *to the customer*.

Applicant is required to cancel the new matter in the reply to this Office Action.

### *Claim Rejections - 35 USC § 101*

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. **Claims 1-12 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

**Regarding claims 1-12**, based on Supreme Court precedent, a method/process claim must **(1)** be tied to a particular machine or apparatus (see at least Diamond v. Diehr, 450 U.S. 175, 184 (1981); Parker v. Flook, 437 U.S. 584, 588 n.9 (1978); Gottschalk v. Benson, 409 U.S. 63, 70 (1972); Cochrane v. Deener, 94 U.S. 780, 787-88 (1876)) or **(2)** transform a particular article to a different state or thing (see at least Gottschalk v. Benson, 409 U.S. 63, 71 (1972)). A

method or process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here the claims fails to meet the above requirements because the steps are neither tied to another statutory class of invention (such as a particular apparatus) nor physically transform underlying subject matter (such as an article or materials) to a different state or thing.

### *Claim Rejections - 35 USC § 103*

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

3. **Claims 1-11, 13-18, 20-22, and 23-28 are rejected under 35 U.S.C. 103(a) as being unpatentable over McClung (U.S. Pub No. 2004/0143502).**

**Referring to claims 1-7, 11, 13-18, 22, and 24-26**, McClung teaches a host computer system as tracking a transaction by the item and purchase price, receiving and storing price matching data including an item match price, comparing the purchase price to a comparison price (item match price) periodically (over different time periods), and administering a credit for the price differential to the customer if the comparison price is lower than the purchase price (Paragraph 0007). The system would inherently have to obtain an account number (customer identification number) in order to credit the customer's account. McClung also teaches the credit card account as being an account

with the vendor (Paragraph 0008, Sentence 3 and Paragraph 0131, Sentence 1). A step of determining whether a user is using a vendor credit card (and therefore, signed up through a vendor) is inherent when a purchase takes place via credit card (regular Visa versus a store card, and vice versa). McClung, however, does not specify what action takes place should a user not have an account with the system. It would have been obvious to one having ordinary skill in the art at the time the invention was made to notify a non-member at a time of purchase as to an *explanation* of the types of savings (such as *price matching* or *price guarantees*) that could be incurred through signing up. This would provide a greater chance of that non-member signing up.

**Referring to claims 8, 10, 21, and 28**, McClung teaches a price-guarantee period (Paragraph 0007). Recording and comparing purchase and current dates is inherent in offering the price-guarantee period.

**Referring to claims 9, 20, and 27**, McClung teaches a price-guarantee period that could be (but not limited to) a week, a month, 3 months, 6 months, or a year (Paragraph 0007). McClung also teaches the monitoring competitors on a real time basis (Paragraph 0009, Sentence 2). McClung doesn't specify the price-guarantee period as being same-day and doesn't describe what would happen should a customer purchase a product in the morning with a lower comparison price appearing in the system later in the day. It would have been obvious to one having ordinary skill in the art at the time the invention was made to have the price-guarantee period be whatever time period the retailer would prefer, including same-day. This would make the system more attractive to retailers by allowing them more choices.

4. **Claims 11, 12, 29, and 30 are rejected under 35 U.S.C. 103(a) as being unpatentable over McClung (U.S. Pub No. 2004/0143502) in view of Walker (U.S. Pub No. 2001/0042785).**

**Referring to claims 11, 12, 29, and 30**, McClung teaches crediting an account with a vendor to implement a guaranteed pricing promotion. McClung doesn't teach the transferring of balances between different credit accounts. Walker teaches that it is well-known to transfer debt balances between accounts to take advantage of different account features (Paragraph 0011, Sentence 2). It would have been obvious to one having ordinary skill in the art at the time the invention was made to transfer a credit balance from one account to another in order to take advantage of retailer guaranteed pricing. It would also have been obvious to one having ordinary skill in the art at the time the invention was made to notify a non-member at a time of purchase as to potential credits that could be incurred through transferring a balance. This would provide a greater chance of that non-member transferring the balance.

***Response to Arguments***

5. Applicant has amended claim 1 in an attempt to overcome the new grounds of rejection pertaining to 101. However, the amendment to the claims does not appear to overcome 101, as a step of configuring processors to perform a step does not mean that the step actually occurs, nor is the configuring being done by a computer or machine. Examiner would recommend removing the language added in the last

amendment, and simply adding “by one or more computer processors” after the word “comparing”. This will ensure that the step of comparing is still actively taking place, and that the comparing step is being performed by a computer or machine. Since the step of comparing is believed to be a significant step, it is currently believed that such an amendment would overcome the 101 rejection.

6. Applicant argues “a customer who has a credit card or account may make a purchase using another credit card or cash without ever disclosing that he has a store credit card". Applicant’s invention is essentially directed towards using a store credit card account to receive discounts. The system knows if the user is making a purchase with a J.C. Penney card (which is an old and well-known type of department store account) as opposed to a typical Visa card. If the consumer is a member of the system, and doesn’t use the appropriate store credit card, then whether the consumer is a member of the system or not is a moot point. Applicant’s claims do not require a determination of whether a consumer is a member of the system or not. It only requires that a consumer uses the store account at a time of purchase.

7. Applicant argues "McClung does not teach or suggest that different actions are performed based upon the determination of whether the item is purchased using a store credit card account”. McClung teaches signing up with a *vendor* to have amounts *credited* in Paragraph 0008. Another reference to this can be found at Paragraph 0131, Sentence 1. At this citation, McClung is quoted as teaching “an entity (e.g. but not limited to, a financial institution, a network, an ISP, a retail business, or an on-line entity) may have a consumer register or sign-up to receive the benefit of a best price

guarantee". This appears to be a store credit account, and the Examiner stands by this interpretation. This also leads to the interpretation that if a consumer is not signed up, the price guarantee may not be implemented.

8. In relation to the argument of improper hindsight, in many situations there is neither a motivation or evident lack of motivation to make a modification articulated in cited references. Numerous scenarios typically find the prior art reference disclosing aspects of claimed subject matter, but fail to specifically point the way toward the combination to arrive at Applicant's invention. A judgment must be made whether a person of ordinary skill in the art would have had sufficient motivation to combine individual elements forming the claimed invention, as in this particular situation. In re Clinton, 527 F.2d 1226, 1228, 188 USPQ 365, 367 (CCPA 1976). Further, *KSR* forecloses the argument that a specific teaching is required for a finding of obviousness (citing *KSR*, 127 S.Ct. at 1741, 82 USPQ2d at 1396). See Board decision *Ex parte Smith*, --USPQ2d--, slip op. at 20, (Bd. Pat. App. & Interf. June 25, 2007). By arguing hindsight, the Appellant is referring to obvious statements the Examiner made to combinations which only unite old elements with no change in their respective functions and which yield predictable results.

## ***Conclusion***

9. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP

§ 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to MICHAEL BEKERMAN whose telephone number is (571)272-3256. The examiner can normally be reached on Monday - Thursday, 9:00 - 3:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric W. Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

/Michael Bekerman/
Primary Examiner, Art Unit 3622